

# Notice of Allowability

Application No.

10/003,613

Examiner

SARA CHANDLER

Applicant(s)

SHIELDS ET AL.

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3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 07/28/08.
2. ☒ The allowed claim(s) is/are 2-4,6-8,11-19,35-44,63 and 64.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
  - a) ☐ All b) ☐ Some\* c) ☐ None of the:
    1. ☐ Certified copies of the priority documents have been received.
    2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
    3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
  5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
    - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
      - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.
    - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

## Attachment(s)

1. ☐ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☒ Information Disclosure Statements (PTO/SB/08),  
Paper No./Mail Date 11/12/08
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☐ Interview Summary (PTO-413),  
Paper No./Mail Date \_\_\_\_\_
7. ☒ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other \_\_\_\_\_

## DETAILED ACTION

### *Response to Amendment*

This Office Action is responsive to Applicant's arguments and request for reconsideration of application 10/003,613 (11/02/01) filed on 07/28/08.

### *Status of the Claims*

Claim 7 is original. Claims 2-4, 6, 8, 11-19 and 35-44 were previously presented. Claims 63 and 64 are currently amended. Claims 1, 5, 9, 10, 25-34 and 45-62 and 65 are canceled. Thus, claims 2-4, 6-8, 11-19, 35-44, 63 and 64 are pending.

### *Allowable Subject Matter*

**Claims 2-4, 6-8, 11-19, 35-44, 63 and 64** are allowed, subject to the examiner's amendment described below.

## EXAMINER'S AMENDMENT

An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it **MUST** be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Todd A. Gerety, Reg. 51,729 on 10/10/08.

The application has been amended as follows: **Please amend claims 63 and 64 as follows and cancel claim 65.**

63. (Currently amended) A system supporting an employee stock plan comprising:

an administrative server system that receives and stores employer-provided information concerning participants in an employee stock plan limited to acquisition of and trading in one or more of employer-issued stock and options on employer-issued stock;

a trading server system that executes transactions on a public exchange;

a finance server system communicably coupled to the administrative server system and the trading server system over a communications network;

the finance server system receiving the employer-provided participant information from the administrative server system;

the finance server system automatically creating and storing, without participant action, limited brokerage accounts based on the employer-provided participant information, the limited brokerage accounts being funded with one or more of employer-issued stock and options on employer-issued stock and used by the participants to initiate transactions through the trading server system solely in connection with the employee stock plan;

the finance server system presenting an interface through which the participants use the limited brokerage accounts to initiate one or more transactions in connection with the employee stock plan through the trading server system, the one or more transactions comprising one or more of trades involving employer-issued stock and exercising of options on the employer-issued stock;

the trading server system conducting the one or more transactions initiated by the participants using the limited brokerage accounts;

the finance server system updating the limited brokerage accounts with information concerning the one or more transactions;

the finance server system transmitting information concerning the updated limited brokerage accounts to the administration server system; and

the administration server system updating the employer-provided participant information stored in the administrative server system with the information concerning the updated limited brokerage accounts.

64. (Currently amended) A method for supporting an employee stock plan comprising:

receiving the employer-provided information concerning participants in an employee stock plan over a communications network from an administrative server system, the employee stock plan being limited to acquisition of and trading in one or more of employer-issued stock and options on employer-issued stock;

automatically creating and storing, without participant action, limited brokerage accounts based on the employer-provided participant information, the limited brokerage accounts being funded with one or more of employer-issued stock and options on employer-issued stock acquired and used by the participants to initiate transactions through a trading server system solely in connection with the employee stock plan;

presenting an interface through which the participants use the limited brokerage accounts to initiate one or more transactions in connection with the employee stock plan through the trading server system, the one or more transactions comprising one or more

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of trades involving employer-issued stock and exercising of options on the employer-issued stock;

updating the limited brokerage accounts with information concerning the one or more transactions; and

transmitting information concerning the updated limited brokerage accounts over the communications network to the administration server system in order to update the employer-provided participant information stored in the nonvolatile data storage of the administrative server system.

65. (Canceled)

***Reasons for Allowance***

The following is an examiner's statement of reasons for allowance:

The closest prior art of record is Cristofich, US Pat. No. 6,269,346. Although Cristofich is similar to the instant application in some respects there are clear patentable distinctions.

Cristofich discloses a system and method for managing a plurality of stock option accounts each for a plurality of participants. The system implements the plans for multiple client companies providing several distinct modes for option exercise by the participant. Cristofich discloses managing the implementation of one or more company stock option plans on a continuous basis. Cristofich discloses a cashless transaction for the exercise of vested options in accordance with plan terms, through the use of a linked brokerage account for the plan participants.

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The claimed invention discloses a system/method for supporting an employee stock plan. In the claimed invention, employer-provided information is received; limited brokerage accounts based on the employer-provided information are automatically created and stored without participant interaction; and the limited brokerage accounts are used by the participants to initiate one or more transactions.

As stated in applicant's remarks (07/28/08), the claimed invention is distinct from the prior art because:

A particular feature of the claimed invention includes "receiving employer-provided information concerning participants in an employee stock plan over a communications network from an administrative server system" and "automatically creating and storing, without participant action, limited brokerage accounts based on the employer-provided participant information, the limited brokerage accounts being used by the participants to initiate transactions through the trading server system solely in connection with the employee stock plan." In other words, the participants are not required to individually open a brokerage account to initiate transactions in connection with an employee stock plan through the trading server system. See subject specification as originally filed in U.S. Patent Application Publication No. 2002/0042771, paragraphs 0008, 0058 and 0059.

In contrast, Cristofich requires each participant open a brokerage account to facilitate exercises of stock options. (Cristofich: col. 5, lines 13-17). Schoen discusses the use of "participant accounts" but does not teach or suggest how such accounts are opened. For at least this reason, neither Cristofich nor Schoen teach or suggest the step of, or structure for, automatically creating limited brokerage accounts based on the employer-provided information concerning participants in an employee stock plan as recited in claims 63-65.

Furthermore, the server systems described in the claimed invention have been interpreted as a computers running software. The interpretation is consistent with applicant's specification.

Claim 64 is allowed because the closest prior art of record, Cristofich, alone or in combination, fails to teach, suggest or otherwise render obvious all the limitations required of a method for supporting an employee stock plan comprising:

*receiving the employer-provided information concerning participants in an employee stock plan over a communications network from an administrative server system, the employee stock plan being limited to acquisition of and trading in one or more of employer-issued stock and options on employer-issued stock;*

*automatically creating and storing, without participant action, limited brokerage accounts based on the employer-provided participant information, the limited brokerage accounts being funded with one or more of employer-issued stock and options on employer-issued stock acquired and used by the participants to initiate transactions through a trading server system solely in connection with the employee stock plan;*

*presenting an interface through which the participants use the limited brokerage accounts to initiate one or more transactions in connection with the employee stock plan through the trading server system, the one or more transactions comprising one or more of trades involving employer-issued stock and exercising of options on the employer-issued stock;*

*updating the limited brokerage accounts with information concerning the one or more transactions; and*

*transmitting information concerning the updated limited brokerage accounts over the communications network to the administration server system in order to update the*

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*employer-provided participant information stored in the nonvolatile data storage of the administrative server system.*

Independent claim 63 is allowed based on the same rationale. Dependent claims are allowed based on the same rationale as the claims from which they depend.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SARA CHANDLER whose telephone number is (571)272-1186. The examiner can normally be reached on 8-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.



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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

SMC  
/JAGDISH N PATEL/  
Primary Examiner, Art Unit 3693